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Dear Congressmen:

The National Senior Citizens Law Center is pleased to endorse the Democratic Prescription Drug Bill introduced by Congressmen Dingell and Rangel. This bill, alone among those pending in the House, meets our key principles for a meaningful prescription drug benefit.

- The Dingell-Rangel bill provides for a voluntary drug benefit that includes reliable coverage as part of Medicare's defined benefit package. The bill does not rely on participation by private insurance companies, which can and do make business decisions to enter and exit markets or scale back benefits. Because the drug benefit is incorporated into Medicare, the bill provides for stable, predictable coverage and prevents significant variations in premiums, deductibles and co-payments from region to region.
- The drug benefit is comprehensive, shielding beneficiaries from burdensome out-of-pocket expenses and steep cost-sharing. The benefit has an affordable premium and coinsurance of no more than 20 percent for preferred drugs, and for non-preferred when medically necessary. The benefit does not require beneficiaries to pay the full cost of prescription drugs once they have reached a capped amount and does not contain major gaps in coverage.
- The drug benefit protects the integrity of the current Medicare benefit.

 The bill does not force older people and people with disabilities into an HMO to get drug coverage. Nor does it impose new, increased co-payments for current Medicare benefits, such as home health, in exchange for a drug benefit.
- The bill provides protection for low-income Medicare beneficiaries, regardless of age and where they live. The bill provides full cost-sharing for Medicare beneficiaries with incomes up to 150 percent of poverty and premium assistance to persons with incomes up to 175 percent of poverty, and removes the assets test for eligibility.

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The bill focuses on improving the traditional Medicare program and eschews radical Medicare restructuring proposals that would weaken the traditional program. The bill does not include reform measures that would increase the role of competition and private insurance in the Medicare program and cost-sharing for beneficiaries. Private insurance has failed to meet the needs of elders and persons with disabilities, has not achieved savings for the federal government and will not fund and make available to all beneficiaries the additional benefits, such as prescription drugs, that they want and need.

In sum, we enthusiastically support the Dingell-Rangel Prescription Drug bill because it provides a guaranteed, universal, voluntary and affordable benefit that is part of the Medicare program. We thank you for your leadership on this issue and look forward to working with you to ensure enactment of this bill.

Sincerely yours, Edward C. King Executive Director, NSCLC